GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:7427
ANSWERED ON:15.05.2002
MANNING CONTRACT OF VESSEL
ARUN KUMAR

Will the Minister of SHIPPING be pleased to state:

(a) whether the Directorate of Shipping Services, Andaman and Nicobar Islands handed over the manning contract of a vessel to the Shipping Corporation of India, instead of continuing with the lowest tenderer resulting in an avoidable expenditure of Rs.261.70 lakh during the period from July, 1994 to September, 1999;

(b) if so, the reasons therefor; and

(c) whether the matter has been enquired into and responsibility and accountability fixed of the officials responsible for causing financial loss to the State?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SHRIPAD Y. NAIK)

(a)to(c) The manning contract of Andaman & Nicobar Administration`s vessel MV Dering was given to M/s Sensea Marine Services Pvt. Ltd upto 30-6-1994, following the tender procedure. However, due to difficulties in handling the issues relating to repairs and maintenance of the vessel through M/s Sensea Marine Services Pvt. Ltd, the A&N Administration persuaded SCI to take over the operation of the vessel in 1994 on the same terms and conditions which were applicable to other vessels. The intention was that the vessel should be manned and maintained in the most professional and cost effective manner. Though SCI took over the manning and technical management of the vessel, it continued to engage M/s Sensea Marine Services Pvt. Ltd, due to shortage of floating staff. After September, 1999 however, SCI has fully taken over the vessel by engaging their own officers for manning the vessel. As per A&N Administration`s estimate, they have made excess payment to SCI, for which action has already been initiated by them.